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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

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12 JEREMY STANFIELD, ROMONIA
13 PERSAND, and SHABNAM SHEILA
14 DEHDASHTIAN, individually, on behalf of
all others similarly situated, and on behalf of
the general public,

15 Plaintiffs,

16 v.

17 FIRST NLC FINANCIAL SERVICES, LLC,
18 and DOES 1 through 50, inclusive,

19 Defendants.

Case No. C 06-3892 SBA

NOTICE OF COLLECTIVE ACTION

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TO: ALL PRESENT AND FORMER LOAN OFFICERS, LOAN PROCESSORS, AND ACCOUNT MANAGERS WHO WORKED FOR FIRST NLC FINANCIAL SERVICES, LLC (“FIRST NLC”) FROM 3 YEARS PRIOR TO THE MAILING DATE TO THE PRESENT.

RE: FAIR LABOR STANDARDS ACT LAWSUIT FILED AGAINST FIRST NLC.

INTRODUCTION

The purpose of this Notice is to inform you of a collective action lawsuit brought against First NLC, to advise you of how your rights may be affected by this action, and to instruct you on the procedure to make a claim if you choose to do so.

DESCRIPTION OF THE ACTION

On June 22, 2006, an action was filed against Defendant First NLC on behalf of the named Plaintiffs and all other similarly-situated individuals who worked as Loan Officers, Loan Processors, and Account Managers for First NLC during the past three years. Specifically, the action alleges that these individuals are owed overtime pay under the federal Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 207, for hours worked in excess of forty (40) per week. Plaintiffs also seek an additional amount as liquidated damages, as well as attorneys’ fees and costs. This litigation is currently in the early pretrial stage.

Generally, the overtime provisions of the FLSA require that, for all hours over forty hours per week that an employee works, the employer must compensate the employee at the rate of one and one-half times his or her regular hourly rate, unless that employee is properly classified as “exempt” from the overtime provisions of the FLSA. The Plaintiffs in this lawsuit claim that during one or more weeks of their employment with First NLC, they worked in excess of forty hours, but were not paid overtime at the rate of one and one-half times their hourly rate for the hours they worked in excess of forty. Plaintiffs claim that First NLC misclassified them as exempt from overtime.

First NLC denies Plaintiffs' allegations in their entirety. Specifically, First NLC asserts that the company properly classified its current and former Loan Officers, Loan Processors and Account Managers – including Plaintiffs and the class of employees Plaintiffs seek to represent – as exempt from the receipt of overtime wages because these current and former employees are,

1 and at all times were, primarily performing the work of overtime-exempt employees. First NLC
 2 also contends that it properly paid all of its current and former Loan Officers, Loan Processors
 3 and Account Managers.

4 **PERSONS ELIGIBLE TO RECEIVE THIS NOTICE**

5 The named Plaintiffs seek to sue on behalf of themselves and also on behalf of other
 6 employees with whom they are similarly-situated. Those individuals that Plaintiffs allege are
 7 similarly-situated are current and former Loan Officers, Loan Processors or Account Managers
 8 employed by First NLC anywhere in the United States from [three years prior to the mailing date]
 9 to the present.

10 This notification is only for the purpose of determining the identity of those persons who
 11 wish to be involved in this case and has no other purpose. Your right to participate in this lawsuit
 12 may depend on a later decision by the United States District Court that you and the representative
 13 Plaintiffs are actually "similarly-situated."

14 **YOUR RIGHT TO PARTICIPATE IN THIS LAWSUIT**

15 If you are or were a Loan Officer, Loan Processor or Account Manager at First NLC
 16 during the previous three years, you may have a right to participate in this lawsuit. Enclosed you
 17 will find a postcard entitled "Plaintiff Consent Form." If you choose to join this lawsuit, and thus
 18 participate in any recovery that may result from this lawsuit, assuming the Court determines that
 19 you are similarly-situated to the named Plaintiffs, it is extremely important that you read, sign and
 20 return the Consent Form by mail to Plaintiffs' counsel at the following address:

21 Nichols Kaster & Anderson, PLLP
 22 Attn. Bryan Schwartz
 23 100 Pine Street, Suite 725
 24 San Francisco, CA 94111
 Toll-Free Telephone: (877) 448-0492
 Facsimile: (415) 421-1700

26 The "Plaintiff Consent Form" must be postmarked by _____, 2006.

27 **EFFECT OF JOINING OR NOT JOINING THIS LAWSUIT**

28 If you choose to join this action, you and First NLC will be bound by any ruling,

1 judgment, or award, whether favorable or unfavorable. You will also be bound by, and will share
 2 in, any settlement that may be reached on behalf of the class. In addition, Nichols Kaster &
 3 Anderson and Rukin Hyland & Doria will seek to be compensated for their efforts in litigating
 4 this case, up to a combined 40% of all recovery.

5 You should also understand that if you join the lawsuit, then you may also be required to
 6 provide documents to First NLC's lawyers and/or attend a deposition and answer First NLC's
 7 lawyers' questions under oath.

8 If you decide to participate in this action, you will not incur any costs at all during the
 9 litigation process, since Nichols Kaster & Anderson has agreed to absorb all such costs.

10 If you do not join this action, you will not be bound by any ruling, judgment, award, or
 11 settlement, entered in this case, favorable or unfavorable. If you do not to join this action, you are
 12 free to take action on your own.

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14 **STATUTE OF LIMITATIONS**

15 The FLSA has a maximum statute of limitations of three years. If you choose to join this
 16 action and the Court finds in favor of the Plaintiffs, you may be able to recover back wages only
 17 during weeks you worked within three years of the date you file your "Plaintiff Consent Form."
 18 If you choose not to join in this action, then you may file your own action. Be advised that the
 19 clock will still be running on your time limit for filing your own action, if you do not join this
 20 lawsuit.

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22 **NO RETALIATION PERMITTED**

23 The law prohibits retaliation against employees for exercising their rights under the FLSA.
 24 Therefore, First NLC is prohibited from discharging you or retaliating against you in any other
 25 manner because you choose to participate in this action.

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27 **YOUR LEGAL REPRESENTATION IF YOU JOIN**

28 If you choose to join this case by filing a Plaintiff Consent Form, you will be agreeing to
 representation by Plaintiffs' Counsel:

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3 **Nichols Kaster & Anderson, PLLP**
4 Donald H. Nichols, Paul J. Lukas, and Bryan Schwartz

5 **Central Office:**
6 4600 IDS Center, 80 South 8th Street
7 Minneapolis, MN 55402
8 **California Office:**
9 100 Pine Street, Suite 725
10 San Francisco, CA 94111
11 Toll Free Telephone: (877) 448-0492
12 Facsimile: (612) 215-6870
13 www.nka.com

14 **Rukin, Hyland & Doria, LLP**
15 Peter Rukin and John Hyland
16 100 Pine Street, Suite 725
17 San Francisco, CA 94111
18 Telephone: (877) 887-1800
19 Facsimile: (415) 421-1700
20 www.rhddlaw.com

21 The Plaintiffs' attorneys are being paid on a contingency fee and/or statutory basis, which means
22 that if there is no recovery, there will be no attorneys' fees. The specific terms and conditions of
23 representation will be contained in a fee agreement entered into by Plaintiffs' attorneys and you.

24 **FURTHER INFORMATION**

25 Further information about this lawsuit or this notice can be obtained by contacting counsel
26 at these addresses and telephone numbers:

27 **ATTORNEYS FOR FIRST NLC**

28 TIMOTHY J. LONG
1 ORRICK, HERRINGTON & SUTCLIFFE
2 LLP
3 400 Capitol Mall, Suite 3000
4 Sacramento, California 95814
5 Telephone: 916-447-9200
6 Facsimile: 916-329-4900
7 E-mail: tjlong@orrick.com
8 www.orrick.com

9 **ATTORNEYS FOR PLAINTIFFS**

10 BRYAN SCHWARTZ
11 NICHOLS KASTER & ANDERSON, PLLP
12 100 Pine Street, Suite 725
13 San Francisco, CA 94111
14 Telephone: (877) 448-0492
15 Facsimile: (415) 421-1700
16 Email: schwartz@nka.com
17 www.nka.com

1 MICHAEL D. WEIL
2 ORRICK, HERRINGTON & SUTCLIFFE
3 LLP
4 The Orrick Building
5 405 Howard Street
6 San Francisco, California 94105
Telephone: 415-773-5700
Facsimile: 415-773-5759
E-mail: mweil@orrick.com
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JOHN HYLAND
RUKIN HYLAND & DORIA LLP
100 Pine Street, Suite 725
San Francisco, CA 94111
Telephone: (877) 887-1800
Facsimile: (415) 421-1700
Email: JohnHyland@rhddlaw.com
www.rhddlaw.com

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8 **YOU SHOULD NOT CONTACT THE COURT.**

9 **CONCLUSION**

10 **THIS NOTICE AND ITS CONTENT HAS BEEN AUTHORIZED BY THE
11 UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
12 CALIFORNIA, THE HONORABLE SAUNDRA BROWN ARMSTRONG, UNITED
13 STATES DISTRICT COURT JUDGE.**

14 **THE COURT HAS MADE NO DECISION IN THIS CASE ABOUT THE MERITS
15 OF PLAINTIFFS' CLAIMS OR OF DEFENDANT'S DEFENSES.**

16
17 The Honorable Saundra Brown Armstrong
18 United States District Judge
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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Case No. C06-03892 SBA

I hereby consent to join the lawsuit against First NLC Financial Services, LLC as a Plaintiff to assert claims against it for violations the Fair Labor Standards Act, 29 U.S.C. § 201 et seq. During the past three years, there were occasions where I worked over 40 hours per week for First NLC Financial Services, LLC and did not receive overtime compensation.

I worked for First NLC Financial Services, LLC as (please check all that apply):

Loan Officer

Signature Date

Loan Processor

Print Name

Account Manager

Address (with apartment number if applicable)

Fax or Mail To:

Nichols Kaster & Anderson, PLLP
Attn: Bryan J. Schwartz
100 Pine Street, Suite 725
San Francisco, CA 94111
Toll Free Telephone (877) 448-0492
Facsimile: (415) 421-1700

City, State, Zip Code

Best Phone Numbers

E-Mail Address

Social Security Number

Emergency Contact

First NLC Branch Location Worked